Development (1924) Department

Jails SERIES.

G.O. No. 1604

DATED 24-9-1924

[Despatch Abstract.]

Industries.

State Aid to Industries Act - loan to Canara Rice and Saw Mills, Ltd. - failure to repay instalments - summary action - Director's proposals - approved

DEPARTMENT.

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14.9.28

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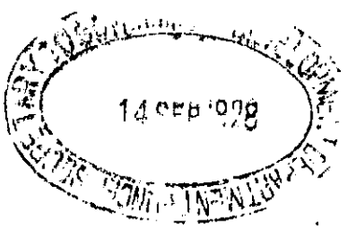
Subject.

Canara Rice and Saw Mills, Coondapur - State aid - Recovery of amount.



ENCLOSURES.
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No. 290-A/28.

Station Madras. , *Dated the* 11th September 1928 192

From (Name) Khan Bahadur M. Bazl-ul-lah Sahib Banadur, C.I.E., O.B.E.,
(Designation) Director of Industries,

To The Secretary to the Government of Madras,
Development Department

Sir,

With reference to G.O.No.Miscellaneous 528 Development dated 23rd March 1928, ordering the recovery of the unspent balance of the loan amount, viz Rs.4579-10-0 from the Canara Rice and Saw Mills Ltd., I have the honour to state that the firm paid the first instalment of the amount, viz Rs.1526-9-0 on the 22nd May 1928 into the Coondapur Sub Treasury. The remaining two instalments have not yet been paid. The firm asked for an extention of time by a month for the repayment of these amounts. This was on the 25th July 1928, i.e. after both the 2nd and 3rd instalments had fallen due - and since then, I have had no communication from it.

2. The insurance policy of the firm which expired

on the 27th February 1928 has not yet been renewed for this year in spite of my repeated requests and I have therefore asked the New Zealand Insurance Co., with whom the firm had effected its insurance formerly, to hold the risk covered. propose to pay them the amount of the insurance premium and add it to the amount to be recovered and ask the Collector of South Kanara to recover the total amount in the manner provided for under Section 18 of the State Aid to Industries Act. As the firm has failed to pay the instalments on the due dates, a penal interest of 10% should be levied under Rule 22 of the Rules framed under the Act. I request that Government may be pleased to approve of the action I propose to take in the matter.

3. The question of revising the annuity payable by the firm consequent on the recovery of a portion of the loan amount will now have to be considered and I shall address Government in the matter after the recovery has been made.

I have the honour to be

Sir,

Your most obedient servant,

or Director of Industries.